

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2658 - SB 2685

March 3, 2020

SUMMARY OF BILL: Adds additional investigations requirements of the Department of Environment and Conservation (TDEC) regarding the siting and installation of underground storage tanks (USTs). Authorizes investigations by the TDEC be initiated by requiring the owner, operator, or installer of the proposed installation tank to notify the board of the intent to install the tank at the proposed site. Authorizes rules be promulgated by the by the Underground Storage Tanks and Solid Waste Disposal Control Board (Board) to require a permit prior to installation of a UST.

ESTIMATED FISCAL IMPACT:

Increase State Revenue - \$265,000/FY20-21/UST Division
\$262,000/FY21-22 and Subsequent Years/UST Division

Increase State Expenditures - \$265,000/FY20-21/UST Division
\$262,000/FY21-22 and Subsequent Years/UST Division

Assumptions:

- The UST Division of the TDEC handles current inspection of USTs throughout the state.
- The UST Division does not
- This legislation will require the inspection of the following:
 - Evaluate the risks and hazards by cause of the geology of the site, particularly deposits of coal or other ignitable minerals;
 - Subsidence;
 - Nearby aquifers or water supply sources or other groundwater conditions;
 - Underground infrastructure within a specified distance;
 - Any other conditions indicating that a proposed installation tank site presents an unreasonable risk of injury to the human environment.
- Based on information provided by the Department of Environment and Conservation (TDEC), they do not currently have staff with the expertise to perform additional inspections required of this legislation and will require five additional positions to adequately perform the requirement of this legislation.
- An increase in recurring state expenditures of \$262,003 (\$216,480 salary + \$42,523 benefits + \$3,000 supplies) and an increase in one-time state expenditures of \$6,000 for computers/miscellaneous.
- An increase in state expenditures in FY20-21 of \$265,003 (\$262,003 + \$3,000).

- An increase in state expenditures in FY21-22 and subsequent years of \$262,003.
- This legislation authorizes the Board to promulgate rules requiring permits prior to installation of a UST.
- It is assumed that the Board will require fees in conjunction with issuance of permits and that the cost of such permits will be set to offset the additional expenditures required of this legislation.
- Such revenue is assumed to be allocated to the UST Division within the TDEC.
- An increase in state permit fee revenue in FY20-21 of \$265,003.
- An increase in state permit fee revenue in FY21-22 and subsequent years of \$262,003.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/jdb